

## **COMMITTEE ON FINANCE**

**November 15, 2005**

**Upon Recess of BMA**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Roy, Gatsas, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Million Six Hundred Thousand Dollars (\$3,600,000) for the 2006 CIP 711806, CSO Crescent Road Basin Project.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Five Million Three Hundred Thousand Dollars (\$5,300,000) for the 2006 CIP 711906, CSO Poor/Schiller Street Area Project.”

On motion of Alderman Roy, duly seconded by Alderman Thibault it was voted to read the Bond Resolutions by title only, and it was so done.

On motion of Alderman DeVries, duly seconded by Alderman Roy it was voted that the Bond Resolutions ought to pass and layover.

Resolution:

“Amending the FY2006 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Hundred Seventy Five Thousand Dollars (\$175,000) for FY2006 CIP 612506 Energy Efficiency Improvement Project.”

On motion of Alderman Smith, duly seconded by Alderman Osborne it was voted read the Resolution by title only, and it was so done.

Alderman Osborne moved that the Resolution ought to pass and be enrolled.

Alderman Roy duly seconded the motion.

Alderman Gatsas asked can somebody explain to me what the guidelines are for the Energy Efficiency for low income.

Robert MacKenzie, Planning Director, stated the guidelines follow the guidelines of the Department of Housing & Urban Development so low income families and moderate income families can get a free testing of their burner systems and if they are very low efficiency they can get either a grant or a loan towards a new heating system. There are also other energy improvements of the house itself that they can get out of this program. It is being run in conjunction with Southern NH Services other energy programs, including energy assistance and fuel assistance programs and they also have weatherization programs.

Alderman Gatsas asked so are the guidelines 150% of poverty or 180% of poverty or 200% of poverty. What are those guidelines that we are using?

Mr. MacKenzie answered moderate income is up to 80% of the median. The median for a family of four in Manchester now is about \$45,000. It would be 80% of that. If it is under 50% that is considered low income according to HUD guidelines and basically they would get both a free tune-up and a grant towards energy efficiency improvements.

Alderman Gatsas stated there is a program currently in place that every ratepayer in the State of NH pays into for energy efficiency. There is roughly \$14 million in

energy efficiency strategies that are in place in the state. There was a long dissertation about those strategies today at the State House. I guess my question is are we additionally subsidizing or are we resubsidizing. What are the guidelines that we are looking at because of the money that is available for energy efficiency through everybody's electric bill currently?

Mr. MacKenzie stated the energy efficiency programs that you are probably aware of include insulation programs, primarily weather stripping, window replacement and sealing. This is focused on the heating facility, which there are not comparable programs for. If you have a gas or oil fired furnace and are operating below 60% efficiency you will be wasting a lot of energy. This is different than the other energy efficiency programs that are being offered and it is a long-term assistance to homeowners because they will be able to, once they get a new furnace, see those savings every year.

Alderman Gatsas asked can we get something your Honor...I am not opposed to this I just want to see that the distribution of these funds from the City...I have never seen this before that we have done this. Have we ever done this before in the last six years?

Mr. MacKenzie answered no. This is the first time in response to the jump in the heating oil prices.

Mayor Baines stated the reason I brought that to the Board was because of what was happening with the cost of heating oil.

Alderman Gatsas responded I don't disagree with what you are saying but the state has just allocated another \$10 million for fuel assistance along with the energy efficiencies that are out there. I am just looking to make sure that we have a pot of

money that we are using to make sure that it is going in the right places and before that I would like somebody from the CAP agency to come in and talk to us about where these funds are going to go.

Alderman Shea stated I think that Bob answered my question. My question was is this restricted to people who own their own homes and you said that it is homeowners so basically it is people who qualify that own their own homes and not in places that are owned by other people that don't reside on that premise. Is that my understanding Bob?

Mr. MacKenzie responded it is geared towards homeowners and renters if they pay heating bills can get assistance if the homeowner agrees and agrees to keeping the rental unit as affordable for a certain amount of time. It is primarily geared towards homeowners.

Alderman Shea asked it is geared towards homeowners but you are saying that if somebody owns a tenement the people living in there that follow a certain rental cap, in other words they don't charge them \$1,000 a month or something like that it is within a reasonable amount that those people would be serviced and helped. Is that correct?

Mr. MacKenzie replied yes that is correct.

Alderman Lopez asked, Bob, the difference between the utility heating costs that Southern NH puts out for annual gross income, how does that compare to what we are doing here. The annual gross income on four is \$35,000 for fuel assistance. Does that have any bearing on this?

Mr. MacKenzie answered that is basically the same as the HUD guidelines. If you calculate the numbers, I think HUD is just slightly higher but it is very similar to those guidelines.

Alderman Lopez stated the second question I have is to insure because they do cover Nashua and Peterborough all at the same time – Southern NH Services to insure that the dollars that we are giving that we are getting our fair share of the fuel assistance at the same time and this money stays in Manchester and does not go to these other communities. How do we work that out?

Mr. MacKenzie this, we are indicating, is only for Manchester residents and property owners.

Alderman Lopez asked can we get a report from them on the usage of people in Manchester for the utility and heating costs that apply for it plus our funds.

Mr. MacKenzie answered sure.

Alderman DeVries stated just to address a little bit of some of the concerns that I think Alderman Gatsas has because certainly at the state things have evolved a little bit since you brought forward this plan because this is its final reading so this has been around for about a month now and things have evolved at the state. They are loosening up some money towards a somewhat similar program. I know that I have had some meetings with the United Way agency where I also sit on the Board of Directors and we have looked at a program of utilizing the earned income tax credits that low income people would have to try to expand the dollars targeted towards home heating oil. I am wondering if we broadened the language on this tonight so that as the final votes are taken in Concord and the Planning staff and CIP staff finally decide the best use of making sure that our low income

people have efficient systems and/or heating oil in their furnaces. If we broaden the language on this to allow the flexibility for other home heating oil assistance programs and then as we define over the next couple of weeks which program becomes the most prolific.

Mayor Baines called for a vote on the motion that the Resolution pass and be enrolled. The motion carried with Aldermen Gatsas and DeVries being duly recorded in opposition.

CIP Budget Authorization:  
612506 Energy Efficiency Improvement Project

Alderman Forest moved that the CIP budget authorization be approved subject to final adoption of the related resolution. Alderman O'Neil duly seconded the motion. Mayor Baines called for a vote. The motion carried with Alderman Gatsas being duly recorded in opposition.

### **TABLED ITEM**

6. Resolution:  
“Authorizing the Finance Officer to effect a transfer of One Thousand Dollars (\$1,000.00) from Contingency to Highway – Miscellaneous.”

This item remained on the table.

There being no further business, on motion of Alderman Garrity, duly seconded by Alderman Thibault it was voted to adjourn.

A True Record. Attest.

Clerk of Committee